

interest-bearing deposits to the amount of £26,406,000, while the nine smaller banks from which returns were not obtained are estimated to have had British deposits to the amount of £3,684,000; so that the total of such deposit in use in Australia could not have been far short of £30,000,000.

The years which followed 1893, therefore, were years of conservatism and restriction of business. Unpaid capital was called up by the banks in such amounts that total capital resources, including reserve funds, rose from £14,724,587 before the crisis to £22,334,047 in 1898, although in the meantime two banks with capital of £900,000 became defunct and capital was written off in other cases to the amount of £4,731,550.¹ Reserve funds were gradually built up until capital resources rose to £28,365,464 in 1904 and to £29,672,740 in 1907. Total liabilities fell from £171,660,791 in 1895 to £166,951,237 in 1897. Later years showed an improvement, which was accelerated with time and carried liabilities in 1904 to £170,710,593 and in 1907 to £194,254,003.² Cash resources are kept chiefly in gold and amount to above twenty per cent, of deposits. The largest stocks of gold are now kept in Sydney.² The movement of some of the chief items of the balance sheets of the banks of Australia and New Zealand is indicated by the following table.⁸

Balance Sheet of Australian Banks.

SEPT. 30.	NOTES IN DEPOSITS AND CIRCULATION BOTH LIABILITIES	LOANS, DIS- COUNTS, ETC.	TOTAL LIABILITIES
1904	£4,725,251	123,467,75	170,710,593
1905	4,609,177	2	180,195,425
1906	4,967,993	129,549,23	194,254,003
1907	5,324,123	6	

There are twenty-two banks of issue in Australia and New Zealand, but four of these hold more than half the

¹ Coghlan, 440.

⁸ *Lou don Bankers' Magazine* March, 1908, LXXXV., 435.

* *Ibid.*, July, 1908, LXXXVI., 54.